

Carbon Reduction Plan

Supplier name: Arjo UK Ltd

Publication date: 1st April 2023

Commitment to achieving Net Zero

Arjo UK and Ireland Ltd is committed to achieving Net Zero emissions by 2050.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions.

Baseline emissions are the reference point against which emissions reduction can be measured. We have previously reported our emissions as part of our Global Reporting and this report represents Arjo UK and Ireland specific baseline report for the first reporting period.

Baseline Year: 2022

Additional Details relating to the Baseline Emissions calculations.

We have in place an Arjo Carbon Reduction Plan Globally as part of our Sustainability Framework 2030 Strategy. We have published in our Arjo Global Annual Report since 2019 however due to COVID and our operations during that time this is the first reporting period for UK and Ireland taking 2022 as the benchmark. Arjo introduced working with Position Green a third party specialist in this field to enable us to monitor and track our carbon footprint in an accurate way as per the Paris Climate Agreement.

Baseline year emissions 2022:

EMISSIONS	TOTAL (tCO ₂ e)
Scope 1	10,161 TOTAL (tCO ₂ e)
	This figure includes emissions from sources we control, gas, fleet, fuel and vehicles etc
Scope 2	477.38 TOTAL (tCO ₂ e)
	This figure includes emissions from purchased electricity
Scope 3	17,484.20 (tC02e)
(Included Sources)	Category 4 Upstream transportation and distribution
	Category 5 Waste disposal and treatment generated during operations
	Category 6 Business travel
	Category 7 Employee Commute
	Category 9 Downstream transportation and distribution
Total Emissions	28,122.841 TOTAL (tCO2e)



Current Emissions Reporting

Reporting Year: 2022		
EMISSIONS	TOTAL (tCO2e)	
Scope 1	10,161 TOTAL (tCO2e)	
	This figure includes emissions from sources we control, gas boilers, fleet fuel vehicles etc	
Scope 2	477.38 TOTAL (tCO2e)	
	This figure includes emissions from purchased electricity	
Scope 3	17,484.20 (tC02e)	
(Included Sources)	Category 4 Upstream transportation and distribution	
	Category 5 Waste disposal and treatment generated during operations	
	Category 6 Business travel	
	Category 7 Employee Commute	
	Category 9 Downstream transportation and distribution	
Total Emissions	28,122.841 TOTAL (tCO2e)	

Emissions Reduction Targets

In order to continue our progress to achieving Net Zero, we have adopted the following carbon reduction targets. We project that carbon emissions will decrease to $13451.068 \text{ tCO}_2\text{e}$ by 2030 and will adjust our CRP's accordingly to achieve Net Zero by 2050. This is a reduction of up to 10% each year to 2030 and then significant reductions 2030 through to net zero in 2050 from the baseline in 2022.

In UK and Ireland we have our Sustainability 'Going Green' Plans with the ambitious plan to reduce at 10% each year to 2030 in order to achieve the overall target by 2050. This is a very stretching goal for any organisation, because of current technological limitations, lack of infrastructure as well as the high levels of dependency on investment required. We plan to accelerate our pace as our people learn and innovations develop from 2030 through to 2050. We will share best practice, and work, with our peers and partner organisations to help us in the future to achieve our Net Zero carbon targets.

Our organisation is committed to supporting the NHS Sustainability Plans and we have a structure in place in order to achieve that with our Senior Leadership Team in the UK which reviews our plans on an annual basis. We have our Arjo Board of Directors, a global Sustainability Steering Group, chaired by our Global Sustainability Director who are committed to resource and support our journey to Net Zero carbon aligning to the Paris Climate Agreement.

At Arjo we are partnering with Position Green Group who are a Globally recognised organisation (Link <u>Here</u>) which brings together advisory, communications and the ability to efficiently collect, analyse and report on sustainability data with the benefit of independent verification to drive our Sustainability Framework.

Link to our Arjo Global Annual Sustainability Report HERE





Emissions Reduction Plans

In UK and Ireland we have ISO14001:2015 the Environmental Standard, ISO9001:2015 the Quality Standard and ISO45001:2018 the H&S Standard. For UK and Ireland as part of our Sustainability Plans we have a number of elements as follows:

Carbon Emissions Monitoring

We are looking to improve our calculation method of Co2 emissions with the GHG protocol tool as a calculation tool working with Position Green in order to ensure that we monitor and track effectively for reporting purposes.

EV and Fleet Plans

We introduced in 2021 Electric and Hybrid vehicles to our fleet with the ambition by the end of 2023 that we will be 40% of available fleet transitioned to fully electric or Hybrid. Our strategic ambition is by 2030 we will have 100% of the available fleet transitioned.

Use of Plastics within our Depots

We introduced in 2022 our 'Going Green' programme specifically within our Rentals Depots that our mattress storage covers are now recycled plastic in partnerships with an external provider to reduce our carbon footprint and single use plastics. This programme is now being rolled out across Arjo Europe. The new recycling process we have saved 400,000 plastic bags by replacing them with our new Green recycled bags. Several important steps were taken in our work on introducing Science Based Targets during the year, and we are working continuously to analyse and reduce our environmental impact.





Our Arjo UK and Ireland rental team has approximately 228 000 mattress installations per year, and every clean mattress goes out in a sealed plastic bag, which is now taken back for recycling. After use, the soiled or infected mattresses also come back in plastic bags. For hygiene safety reasons, the infected bags, about 20 percent, has to be disposed, still leaving 80 percent up for recycling. This results in Arjo now using over 400 000 plastic bags from recycled material instead of virgin plastic. All our Depots are focused on activities in order to carry out recycling for all waste material and packaging that is produced in the Depot, which is weighed and collected by 3rd party in order to reduce year on year our carbon footprint.

Fuel

We introduced in 2022 the UK Fuel Card which is aimed at fuel and renewable energy savings to ensure that our field based teams are conscious in the use of transport to deliver for our customers.

Sustainable Environments

We have had in place our Cycle to Work programme for employees in which to opt via salary sacrifice to purchase and use to commute via cycle scheme for all our employees to consider as alternative to commute by car. We have had currently 75 employees who have opted into the Cycle to Work scheme since launch in 2021.

We introduced in 2023 an environmental programme, in partnership with The National Forest, that for all new employees, monthly recognition awards and long service awards that we will plant a tree in their name planted in the National Forest on behalf of the company. Our aim is to plant 180 trees for 2023.

We are also introducing in 2023 to our Van fleet a tracker which are support our sustainability plans to ensure that our mileage is both accurate and safe and efficient, in order to drive better fuel rates and reduce unnecessary journeys.

Our working practices we already have confidential recycling waste systems in place from our offices with specialists. We look to ways to reduce unnecessary commutes, the use of technology with our customers and suppliers with MS Teams rather than the default of face to face meetings.



Carbon Reduction Projects

Sustainable healthcare is, in many ways, the core of our operations by offering better care to more people using fewer resources. As part of our Arjo Sustainability Framework, we are working to reduce emissions and the use of resources while ensuring responsible business and developing our employees for the future. All of our Global Arjo Production units are now operated using renewable electricity, and we carried out life cycle analyses of a number of products to ensure as high degree of circularity as possible.

The carbon emission reduction achieved by these schemes equates to 13451.068 tCO₂e by 2030 reduction against the 2022 baseline and the 10% reduction on annual basis whilst we perform the contract for the NHS.

We do highlight that CRP projects the assumptions are that the baseline figures are on our current resource profile and we would factor in any business growth or resourcing in the future year on year. As a supplier to the NHS we also have existing Service Level Agreements contractually in place which require certain timescales of critical delivery of products and services to the NHS. We would need to work in partnership with the NHS to consider and enable us to deliver if we were fully EV or Hybrid on cars and vans depending on the infrastructure in the UK and NHS facilities in the future.

In the future we hope to implement further measures such as:

- Converting to renewable energy providers for our utilities at all our offices and our depots by 2030.
- Tracking of our employees commute to work using a tool to enable accurate measure by 2025
- Further adoption of LED and PIR lighting in our facilities as part of an ongoing change out programme by end of 2025.
- EV and Hybrid Vehicles in our available Fleet, depending on technology and infrastructure, at 100% by 2030.
- We continue to review our supply chain in terms of deliveries of product to us in UK and Ireland either via more efficient forms of transport
- Ongoing review of our delivery systems from our distribution centre and depots to our customers.
- Location and infrastructure of our sites and estates with potential introduction of more ecological and modern facilities.



Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹³ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting¹⁴.

Scope 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard¹⁵.

This Carbon Reduction Plan has been reviewed and signed off by the HR Director who is part of the UK and Ireland management body.

Signed on behalf of the Supplier:

Date: 31st March 2023